DOCUMENT RESUME

ED 385 927 EA 026 953

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TITLE National Patterns of State Education Policy Innovation and Three Deviant Cases.
PUB DATE Apr 95
NOTE 34p.; Paper presented at the Annual Meeting of the American Educational Resarch Association (San Francisco, CA, April 18-22, 1995).
PUB TYPE Reports - Research/Technical (143) -- Speeches/Conference Papers (150)

EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS *Decentralization; *Educational Change; *Educational Policy; Elementary Secondary Education; Lobbying; *Policy Formation; Political Power; *Politics of Education; School Based Management; School Choice; State Action; *State Legislation
IDENTIFIERS Massachusetts; Minnesota; South Carolina

ABSTRACT

An examination of education-reform efforts in 50 states for the period 1983-87 found widespread adoption of reforms that were designed to increase state authority over education policymaking. The few decentralizing efforts contrasted sharply with the near universality of the centralizing reforms. This paper presents findings of a study that examined three "deviant" cases of decentralization reforms that occurred in the mid-1980s: the creation of school-improvement councils in Massachusetts; the establishment of citizen oversight in South Carolina; and the enactment of school-choice legislation in Minnesota. Data were derived from personal interviews with the Governor or his education policy advisor, the chief state school officer or a key aide, state legislators, and lobbyists for education interest groups. Two additional rounds of followup interviews were conducted by telephone. A hypothesis was that the theory of political conflict expansion would help to explain the enactment of education reforms. Findings indicate that: (1) strong, committed political leadership from within the political system was central to each reform effort; (2) policy entrepreneurs were important players in all three states; (3) reforms were enacted within the context of a significant expansion of political conflict from the subsystem to the macrosystem arena; and (4) the influence of policy entrepreneurs was mediated by shifts in political power. It is concluded that political leaders inside the system were responsible for molding the political system to create policy innovations. Twenty-nine notes contain bibliographic data. (LMI)

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National Patterns of State Education Policy Innovation and Three Deviant Cases*

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Introduction

In an earlier study; the author examined the education reform efforts in all 50 states during the period 1983-1987.[1***] That study included an analysis of state statutes and regulations, as well as various descriptions and surveys of state-level education reform activity. Based upon this review, the author constructed a brief description of reform activity in each state; that description was reviewed by the chief state school officer, and alterations were made to reflect comments on the draft (responses were received from 47 states).

The 50-state study used education reforms as dependent variables. They included three student-related reforms: 1) increased graduation requirements, 2) increased or new student testing, and 3) curriculum materials policies; three teacher-related reforms: 4) increased teacher entry requirements (including teacher testing), 5) teacher compensation reforms (including career ladders, merit pay, and significant across-the-board salary increases), and 6) longer school day or school year; as well as 7) above average increases in state funding of education. These types of reforms were selected as the dependent variables to be studied because they represent the virtual universe of reforms undertaken by the states. In fact, 49 states undertook at least one of the student-related reforms, and 47 undertook at least one of the teacher-related reforms.

While any number of independent variables could be examined, those thought to be most likely to influence the education policymaking process were selected for analysis.[2] They included indicators of: 1) educational performance (college admissions examination (SAT or ACT) scores and high school graduation rates); 2) fiscal effort on behalf of education (average teacher salaries, per pupil expenditures, and pupil-teacher ratios); 3) socioeconomic status and fiscal capacity (the percentage of 5-17 year olds living in poverty, the percentage of minority 5-17 year olds, state wealth per 5-17 year old, and the rate of urbanization); 4) administrative organization (the education centralization index[3]); 5) the education policy subsystem structure (education interest group strength[4]); and 6) the general context of the states (political culture[5]).

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* This paper was prepared for presentation at the annual meeting of the American Educational Research Association in San Francisco, April 22, 1995.

** The author is executive director of Pennsylvania 2000, a coalition of business, education, and government leaders promoting education improvement in that state. This research was conducted in conjunction with the author's doctoral studies at The Pennsylvania State University and is not intended to be representative of the views of the Pennsylvania 2000 Board of Directors.

*** Notes appear at the end of the text.

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Data from the 50-state survey were subjected to stepwise regression analysis, and Guttman Scalogram Analysis was used to determine two clusters of dependent variables -- the student-related reforms and the teacher-related reforms -- of increasing difficulty to enact.[6]

This paper will not detail the results of the 50-state survey, since a full report is available elsewhere.[7] It is important to note, however, that the survey found widespread adoption of reforms designed to increase state authority over education policymaking: 88 percent of the states increased high school graduation requirements, 80 percent expanded or instituted student testing programs, 86 percent strengthened teacher entry requirements, and 66 percent altered teacher compensation policies.

The near universality of centralizing reforms made the few efforts to decentralize stand out in the initial data analysis.

The purpose of the study reported here is to examine three deviant cases of decentralizing education reforms in the mid-1980s. These were the creation of school improvement councils in Massachusetts, the establishment of citizen oversight in South Carolina, and the enactment of school choice legislation in Minnesota

Methodology

In order to understand the deviant reforms in some detail, a case study methodology was developed. Ordinarily, site selection for case studies involves painstaking care to assure a sample of cases representative of a larger universe. The major multi-state education policy studies all utilize different criteria for selecting states, but all aim for some degree of representativeness, presumably so that generalizations can be drawn.[8] Among the key criteria for site selection are variations in structure or process of the policy system, in political culture, in socioeconomic variables such as degree of urbanization or degree of fiscal stress, in size of the states, and in regions of the country. Some studies attempt to pair states on some criteria in order to investigate differences on others. Most researchers also are honest about considering ease of data collection (geographic proximity, knowledge of the states, and the like) as another criterion. The potential for criticism remains regardless of the criteria used for site selection.[9]

In this study, the selection of states was greatly facilitated by the fact that so few were eligible, based upon the aim of studying those states that intentionally reformed their education systems between 1983 and 1987 so as to redistribute power within the education subsystem or to expand the education subsystem itself. During the period under study, two states took significant steps toward empowering local school sites (Massachusetts and Washington); two took significant steps toward empowering parents to select their children's schools (Colorado

and Minnesota); and one created a state-level oversight body largely under the control of the state's business community (South Carolina).

Massachusetts was chosen over Washington and Minnesota over Colorado to assure a greater diversity of state centralization of education policymaking and a greater diversity of political culture. In addition, Massachusetts was more accessible than Washington, and Minnesota's choice program was more fully elaborated than Colorado's. South Carolina was also selected.

It should be understood that the three states selected are in no way intended to be representative of all 50. In fact, they were selected precisely because of the unique policymaking activities they undertook between 1983 and 1987. Nonetheless, because the states selected vary widely in education centralization, political culture, interest group strength, education variables, and socioeconomic variables, it was assumed that rich analytical possibilities were inherent in them.

Three rounds of interviews were conducted during 1992 in each of the case study states. Interviewees were selected based upon their positions, and each of those so selected was asked to name others to be interviewed as well. Initially, the positional approach identified the Governor or his education policy advisor, the chief state school officer or a key aide, the chairmen of the House and Senate Education Committees or their staff, and lobbyists for key education interest groups. The first round of interviews was conducted face-to-face by the author and included as many of those to be interviewed as could be accommodated on a single trip to the state. The second round was conducted by telephone and included those who were not available for face-to-face interviews. Finally, some unstructured follow-up telephone interviews were conducted to clarify issues raised in the more structured sessions.

The interviews were designed to determine the identity of participants in the policymaking processes, which alternatives were pursued by whom, if and how conflict was expanded from the education policy subsystem to the macrosystem, the power relationships involved in the decisionmaking, and the role of policy entrepreneurs. Further, the interviews were designed to identify the stakeholders, their vision for problem definition and policy alternative generation, and methods used to enact decisions. Interviewees also were asked to reflect on implementation of the reforms and their current thinking regarding the policies of the 1983-1987 period.

Since such interviews risk imperfect reliability and may suffer from questioner or investigator bias,[10] three steps were taken to guard against these problems. First, the instrument was field-tested on policy actors in Pennsylvania, a state in which the author had been a participant in education policymaking in both the legislative and executive branches of government. This was intended to assure that the questions had the intended meanings to

the types of respondents on whom they were actually used in the study. Second, the instrument was reviewed by scholars in the field of education policymaking whose own research has been primarily in states other than those under study here. These scholars included Susan Fuhrman, Director of the Center for Policy Research in Education, Eagleton Institute of Politics, Rutgers University; Chris Pipho, Senior Policy Analyst, Education Commission of the States; and Richard McCann, Director of State Assistance, Research for Better Schools. Finally, since similar research had been conducted in one of the case study states (Minnesota)[11], similar findings from this study of that state would lend credence to the study methodology, and substantial divergence would cause a re-thinking of the results in all states.

Detailed descriptions of the three case study states appear in the sections that follow.

Massachusetts

Legislation adopted in Massachusetts in 1985 established school improvement councils with dedicated state funding for each school in the Commonwealth, one of the earliest and most significant efforts to foster site-based decisionmaking. Two years later, this funding was increased, as was the authority of the councils.

Political Background

Massachusetts is a Democratic state. Registered Democrats traditionally outnumber Republicans about three-to-one. The Massachusetts General Court (the state legislature) has been dominated by Democrats since the 1950s. Between 1983 and 1987, both the Senate and House of Representatives were controlled by the Democrats, and the Governor, Michael Dukakis, was a Democrat.

All standing committees of the General Court are joint committees (except that each chamber has its own Ways and Means Committee), with House and Senate chairs. Each committee has more House members than Senators (reflecting the size of the respective chambers). In order to be enacted, legislation is prepared in committee and then approved by both chambers and signed by the Governor.

Ambition and change were keys to understanding the political background of Massachusetts state government in the mid-1980s.

Governor Dukakis, who had been elected in 1974 and who ran what was often described in these interviews as an "imperial" first term, was defeated in a Democratic primary four years later. When he made a successful comeback in 1982, he decided that he needed

to be more of a consensus-building Governor. The state's major education reform legislation was passed in the third year of Dukakis's second term and the first year of his third (he was also re-elected in 1986). In 1985, he was motivated at least in part by his upcoming re-election campaign, and in 1987 by the winds of a worsening economy in the northeast and a desire to run for President.

The seeds of education reform in Massachusetts were planted in 1983 by the House and Senate chairs of the Education Committee, Representative James Collins of Amherst and Senator Gerard D'Amico of Worcester, both political allies of the Governor, but men with very different backgrounds and approaches to education. Collins was a supporter of House Speaker Tom McKee, an old-line legislative leader who controlled the flow of legislation by appointing committee chairs and dispensing perks. In 1984, liberals and reformers in the House began to challenge McKee's control, lining up behind George Keverian, and when Keverian defeated McKee in a bruising fight for the Speakership in early 1985, he rewarded his supporters with key committee chairs. One of these supporters was Nicholas Paleologos, a 32-year-old representative from Woburn with eight years of legislative experience. Keverian appointed Paleologos to succeed Collins as House chair of the Joint Education Committee.

Meanwhile in the Senate, D'Amico was hoping for a juicier assignment on his way to an unsuccessful bid for Lieutenant Governor. D'Amico wanted to be appointed chairman of the Senate Ways and Means Committee, a decision left to the discretion of the Senate President, William Bulger, a proponent of parochial schools not noted for his support of public education. Although D'Amico did not get the Ways and Means post, the D'Amico-Bulger courtship in the fall of 1984 was an important consideration at the end of the 1983-1984 legislative session.

After only one term in the Senate, Richard Kraus of Arlington was appointed to the Education Committee in 1985 as the Senate vice-chair. He and Paleologos were friends and close political allies; the latter's House district was located in Kraus's Senate district. During 1985 and early 1986, Kraus worked closely with Paleologos, while D'Amico was increasingly concerned with his campaign for Lieutenant Governor. When D'Amico left the Senate, Kraus became Senate chair of the Education Committee.

In addition to the shifting and intersecting leadership and the political ambitions of those in power, one other overriding factor influenced education politics in Massachusetts in the mid-1980s -- Proposition 2 1/2. The ballot question that was approved by voters in 1980 had several important results.

First, the limitation on local property taxes, in a state in which over 60 percent of school revenues were raised locally, resulted in massive cutbacks in school spending,

programs, and employment. In the years immediately after Proposition 2 1/2, about 10,000 to 15,000 teachers were laid off.

Second, the initial steps at improving school finance equity, which had been taken in 1978, were largely reversed. The revised school aid formula, enacted under Collins' leadership in 1978, was partially a response to a pending lawsuit challenging the constitutionality of the state's finance system. The 1978 legislation achieved some additional equity and put the lawsuit on the back burner. But the post-1980 cuts in local revenues exacerbated the inequities and rejoined the court battle.

Third, Proposition 2 1/2 eliminated fiscal autonomy for local school committees, making them dependent upon city and town councils for local revenues.

Fourth, Proposition 2 1/2 required that all future state mandates on local governments (including school committees) be financed entirely from the state budget. Thus, any education reforms enacted after 1980 that required the establishment of new programs or created additional costs would need to be financed by the Commonwealth.

Educational Status

By the mid-1980s, Massachusetts ranked 8th out of 21 states in scores on Scholastic Aptitude tests and below average (34th) on the rate of high school graduation. The state also ranked in the top third of all states on measures of average teacher salary (15th), expenditures per pupil (13th), and pupil/teacher ratios (7th).

Nonetheless, both teacher union spokesmen and legislators said in interviews that by 1983, teachers were feeling demoralized by layoffs induced by Proposition 2 1/2 and low salaries relative to Massachusetts residents employed in other professions.

A poll commissioned by the Massachusetts Business Roundtable in 1983 showed that 62 percent of Massachusetts citizens thought the public schools were in serious trouble. Perhaps this was a result of the seemingly greater effort than the school performance it purchased. Perhaps it was the result of the negative tone of the Proposition 2 1/2 campaign. Perhaps it was the result of increasing media and business concern about problems in public education. Perhaps it was the result of the *Nation at Risk* rhetoric, suggesting the need for reforms that increased central authority in a state in which local control of schools (and other public services) was nearly mythic in character.

Perhaps, as was suggested in many interviews, it was a result of all of these. But by 1983, there was a clear and growing sense that the time had come for significant reform of public education in Massachusetts.

Massachusetts School Reforms

In 1983, Collins and D'Amico decided to open up the process of enacting education legislation, a process usually contained within the State House and controlled by the Education Committee chairs, the Governor, the teacher unions, and occasionally representatives of school committees and school superintendents. The committee chairs held five public hearings around the state and conducted a series of seminars to seek suggestions for reform. A first-time key participant was the leadership of the state's business community. Business leaders were interested in setting state curriculum and testing standards, and while they agreed not to insist on measures viewed as punitive by teachers (teacher testing, weakening of tenure, and the like), they were not supportive of great increases in spending, once Dukakis rejected their suggestion that a penny hike in the sales tax be proposed to fund education reform.

When the hearings were over, Collins, D'Amico, and the Governor's education advisor, Gerard Indelicato, attempted to craft an education reform bill. Collins favored a variety of centralizing reforms aimed at setting higher standards in return for salary and pension increases for teachers. D'Amico favored a less ambitious approach, preferred reforms that would provide state leadership to induce local reforms, and insisted that state funds be used primarily to increase school finance equity. Indelicato, mindful of the requirement that the state fully fund any new mandates, aimed at keeping the costs of any reform bill in check.

These conflicting positions were not good bases of compromise, and by late 1983, Collins had decided that he had the votes to force his bill through the Education Committee despite D'Amico's lack of support. In January 1984, Collins introduced a bill that included major increases in state education aid directly to school committees (bypassing cities and towns) and a new formula to equalize expenditures, a 10 percent increase in teacher salaries, and a pension reform that would allow teachers to retire earlier (age 55 with 30 years experience) and with greater benefits (80 percent of salary).

1984 was not an auspicious year for education legislation in Massachusetts. The House was less orderly than normal with the brewing of the Speaker fight. D'Amico was at least somewhat preoccupied in the Senate with pleasing Bulger in an effort to get the Ways and Means appointment. He also was more inclined toward the Governor's fiscal caution and genuinely disagreed with some of the centralizing reforms of Collins' bill -- standardized state curricula and tests and standards for promotion and graduation -- and the increased authority

given to the State Board and State Education Department, both of which were viewed as bureaucratic barnacles by D'Amico, Kraus, and Paleologos.

Collins was correct in his belief that he had the votes to get his proposal through the Education Committee largely unscathed. And no one else had a viable proposal, because alternatives were all seen as the Collins bill minus something important to some constituency or another.

In mid-November 1984, the House debated the Collins bill, accepting it virtually unchanged except for the addition of competency testing for current and prospective teachers. The result was a post-Thanksgiving rush of lobbying before the final House vote on the bill. The Municipal Association opposed the direct aid to school committees. The Business Roundtable and the Massachusetts Taxpayers Association opposed the bill's $400 million price tag. The two teacher unions both opposed the teacher testing provisions. Governor Dukakis urged that the bill be more focused and less costly. In response, the House deleted several new programs, including the early retirement provisions and the new local aid formula, eliminated teacher competency testing, and finally passed the bill on December 14, 1984.

However, the key action of the week was not the House passage of Collins' bill, but D'Amico's announcement to the press on December 13 that the Senate had run out of time to consider education reform in the session scheduled to end on January 2, 1985. The Collins bill died that day in the Senate Ways and Means Committee.

When the General Court reconvened, Democrats in the House elected Keverian Speaker, and Collins was replaced as Education Committee chair by Paleologos. 1985 was to be a more auspicious year for education reform in Massachusetts.

Early in the year, the Governor put forth a proposal for increased state aid for schools in poor communities and teacher salary increases to be funded by the state. The plan also included provisions for basic skills testing of students and for the development of state curriculum standards.

In the legislature, Paleologos had decided that passage of a reform bill would require cooperation with both the Senate, especially D'Amico and Kraus, and the Governor. He believed that the Collins bill died because it had no legislative constituency except for Collins, because it was too costly, because in its effort at achieving consensus among interest groups "it lost its soul." He wanted legislation that was comprehensive but with a clear policy focus. He and D'Amico agreed that the hearings in the previous session provided enough input and that a bill could be constructed within the Education Committee itself. Paleologos was particularly interested in giving new House members on his committee an opportunity to participate in crafting the reform bill.

What focus could Paleologos give a new bill? When he moved into Collins' old office in January 1985, Paleologos found a confidential November 1983 memo to Collins from Francis Keppel, former U.S. Commissioner of Education and a member of the faculty at the Harvard School of Education. The memo suggested establishing school improvement councils consisting of the principal, parents, and teachers with a small fund of discretionary money to be spent on the council's priorities. At about the same time, Paleologos listened to a "Pfizer tape"[12] while driving to the State House from his home. On the tape, Dr. Ernest Boyer, former U. S. Commissioner of Education and president of the Carnegie Foundation for the Advancement of Teaching, suggested that the single most important education reform would be to give individual schools small grants for innovative projects developed by school site councils.

Paleologos was taken with the idea and put it forward for discussion as early as mid-January. It appealed to the Massachusetts local control culture. It empowered new groups -- principals, teachers and parents working together -- at the school site, bypassing the control of school committees. It rewarded innovation aimed directly at education improvement. It also appealed to D'Amico, and although Kraus was initially skeptical, he came to see the concept as fostering local empowerment for improved learning outcomes, which was a central concern of his.

On the other hand, school committees opposed the creation of what came to be called school improvement councils. They saw them as a direct threat to themselves, despite the relatively modest sums the councils would control (the original proposal was $12 per student, increasing to $40 by 1988). One particularly offensive proposal (which did not survive) would have had the councils involved in evaluating teachers. That was also one basis of the opposition of the Massachusetts Teachers Association (the NEA affiliate). The only education group that supported school improvement councils was the Massachusetts Federation of Teachers (MFT), which was preparing to bargain for school site management.

Most aspects of the bill grew out of the 1983-1984 reform effort, and were, as Kraus put it, "in the air." Missing were many of the centralizing mandates of the Collins proposal. The bill put together by Paleologos, D'Amico, and Kraus, ultimately with the Governor's support, included equal education opportunity grants for poor school districts; state funding of voluntary increases in minimum teacher salaries; competency testing for new teachers; basic skills testing for students at three grade levels; curriculum testing to evaluate school performance every two years and for distribution of some state aid; discretionary grant programs for remedial and dropout prevention programs and early childhood education programs; a leadership academy for training principals and other administrators; Horace Mann grants of up to $2,500 for teachers who took on additional responsibilities in developing school programs or assisting in staff development efforts (a proposal of the Governor's); Lucretia Crocker grants to enable successful teachers to disseminate programs to other

schools; and the addition of "incompetency" to the teacher tenure law as a cause for dismissal.

But two programs drew the most attention. REACH (Rewarding Educational Achievement) was Kraus's idea: "I found that you could not change the existing incentive structure, but you could find countervailing measures to serve as incentives to do what needed to be done for students." REACH would provide annual grants to six school districts that achieved the highest overall academic performance or the greatest gain in academic performance in the state evaluation system established by the bill. Kraus saw the program as a way of reinvigorating schools and teachers, but it was never funded by the legislature.

The other major program was the school improvement fund and the school improvement councils established by each school. This was Paleologos' idea and was generally seen by the Massachusetts media at the time and by those interviewed for this study as the centerpiece of the reform bill. It required each school to set up a council chaired by the principal and including three teachers selected by their peers, two parents elected by the parent-teacher organization, and one other citizen appointed by the school committee. The council would be responsible for setting spending priorities for the school's allocation from the school improvement fund (finally set at $10 per pupil). While the school committee could veto the council's spending decisions, it could not substitute its own.

Most education groups, except the MFT, opposed the bill or at least major aspects of it. The school committees and MTA both opposed the school improvement councils, and MTA opposed dropping previous proposals for early retirement and mandatory salary increases. By 1985, the business leadership had been disillusioned by its unsuccessful foray into school reform politics and was back on the sidelines.

The bill was introduced in the House in February and approved in that chamber easily in April. The bill had rougher sailing in the Senate, but was passed in July with amendments that removed the school improvement councils despite D'Amico's support for them, added salary bonuses for teachers, and required testing of practicing teachers every three years. Later that month, with Paleologos and D'Amico largely calling the shots, a conference committee restored the school improvement councils and removed both the teacher bonus and testing provisions. Both houses accepted the conference bill, and Governor Dukakis signed it in late July. As *The Boston Globe* editorialized, "the councils hold forth great promise for reinvigorating the state's public schools."[13] The legislation, known as Chapter 188, had a final price tag of $270 million, including $150 million for equal education opportunity grants designed to counteract the pending lawsuit against the state's school funding system.

Despite the legislative victory of 1985, Paleologos and Kraus both were concerned that further reform was necessary and that it would be more difficult to enact with the education

interest groups fractured by the 1985 experience. In addition, they were concerned that the MTA and school committee opposition to Chapter 188 might translate into problems in implementing the 1985 reforms.

Therefore, they spent most of 1986 in concerted efforts to mend fences and develop a consensus for further reforms. Some initial successes with Horace Mann grants and school improvement councils made the job easier. The Joint Education Committee established two special commissions, each co-chaired by Paleologos and Kraus -- the Special Commission on the Conditions of Teaching and the Special Commission on REACH and School Improvement Councils. Both councils included key legislators and leadership of the education interest groups, and the chairs agreed to put their recommendations forward for future legislative action.

The Special Commission on the Conditions of Teaching recommended establishment of Carnegie Schools, which would use school-based management to empower teachers to restructure the school environment and its governance. The commission also endorsed increases in the voluntary minimum salary grants, Lucretia Crocker grants, and Horace Mann grants.

The Special Commission on REACH and School Improvement Councils recommended doubling the per pupil allocation to school improvement councils (from $10 to $20) and funding the REACH program.

As a result of the legislative and interest group consensus, action on the 1987 reform bill was relatively straightforward -- "inside baseball" to use Paleologos' term. Chapter 727 increased the school improvement fund to $15 per pupil; expanded the REACH program criteria and gave school improvement councils authority to spend REACH awards (which again were not funded by the state, however); focused equal education opportunity grants on the state's most at-risk schools; increased the voluntary minimum teacher salary to $20,000; and created the Carnegie Schools grant program. Under this program, applications would be submitted by school-based planning teams including the principal, five teachers elected by their peers, two other professional staff, two parents elected by the parent-teacher organization, one high school student, and one community representative.

While many of the Chapter 181 and 727 programs were typical of other states' reforms (student testing, school evaluation, new teacher competency testing, and minimum salary increases), the heart of the Massachusetts reforms differed. The heart was in empowering decisionmaking by local coalitions of teachers and parents (school improvement councils, REACH, and Carnegie Schools grant programs) and rewarding excellent and innovative teachers (Horace Mann and Lucretia Crocker awards).

South Carolina

The South Carolina General Assembly in 1984 passed the Education Improvement Act (EIA), one of the most comprehensive pieces of school reform legislation anywhere in the nation. The bill included 61 reform programs and a one cent increase in the state sales tax to generate about $210 million a year dedicated to the reforms, and created the Business-Education Subcommittee to oversee the act's implementation.

Political Background

Of the three states included in this study, South Carolina's political situation in the early 1980s was the most stable. The state is traditionally very conservative, voting predominantly Democratic but occasionally electing Republican Governors (James Edwards in 1974 and Carroll Campbell in 1986 and 1990), reelecting Strom Thurmond to the United States Senate (although he was elected originally as a Democrat), and voting Republican in most Presidential elections.

Despite the relative stability, three strands of political change came together in South Carolina in the early 1980s, paving the way for the Education Improvement Act and a strengthened, institutionalized oversight role for business and political leaders.

First, the economy of South Carolina began to undergo a major transformation in the 1970s, with the agriculture and textile base giving way to real estate, finance, and high-tech manufacturing. This change resulted in an evolutionary change in the state's business leadership so that by the early 1980s there was a split in that leadership between the textile/merchant leadership that was very conservative, and the real estate/finance/manufacturing leadership that pressured the state's political leaders for changes in education, welfare, and public finance policies.

Second, despite the fact that the legislature has always been a part-time institution, it was very powerful. The state's first constitution, written by John Locke, vested much power in the people's elected representatives and, distrustful of executive authority, relatively little in the Governor. And so it has remained. The South Carolina legislature actually appoints the state boards and commission responsible for directing the work of most state executive departments. While Governors influence these appointments, most of the boards' members have terms that are longer than the Governor's. And the Governor is only one of eight statewide elected executive office-holders, including the State Superintendent of Education. Nonetheless, legislative power began to erode in the 1970s partially as a result of court-ordered reapportionment. The days when a House member from a rural district (Barnwell) could serve 37 years as Speaker (overlapping the tenure of a Senate President from the same

community) came to an end as a result of reapportionment and the increasing tendency of conservative South Carolinians to vote for Republicans as well as Democrats.

Third, the power of the Governor began to increase at about the same time as the economic base shifted and the legislature's authority weakened. Gubernatorial power began to increase under Governor Robert McNair, who served for six years during the desegregation efforts of the late 1960s. Political observers interviewed for this study agreed that it was a time when people were looking for someone to be in charge, and McNair was willing to provide leadership for desegregation. His six-year term consisted of two years after moving up from Lieutenant Governor plus four years of his own term. (Governors were not permitted to succeed themselves at that time.) In addition, the flow of categorical federal funds and revenue sharing funds to the states in the 1970s gave Governors (of both political parties) a tool for increasing their own authority. Finally, in 1980, the Constitution was amended to permit Governors to serve two consecutive terms. It was adopted with the support of Governor Richard W. Riley, who was its first beneficiary and the key player in South Carolina's education reforms.

Educational Status

South Carolina ranked near the bottom of all states on measures of educational attainment and effort in the early and mid-1980s. It ranked last out of 21 states on Scholastic Aptitude Test (SAT) scores in 1984 and 44th in high school graduation rate in 1983. It ranked near the bottom in education effort, including rankings of 45th for average teacher salaries and 46th for expenditures per pupil.

In late summer of 1983, Governor Riley commissioned a poll of South Carolinians to determine their views on education reform. The results showed that 83 percent favored targeted reform efforts, including accountability for results, along with increased state funding to support reforms. Sixty-two percent expressed a preference for a one cent sales tax increase, and 75 percent said they would be more likely to vote for a legislator who supported a tax increase to finance education reform.

While South Carolina ranked at the bottom on educational attainment and effort, a fact that reinforced what the Governor's education aide called "a state inferiority complex," the poll suggested that people wanted a change.

South Carolina School Reforms

In at least two senses -- one programmatic and the other political -- the roots of South Carolina's 1984 Education Improvement Act can be traced back to 1977.

In 1977, when Riley was a State Senator, Governor Edwards' education aide worked in concert with the education interest groups to prepare a school finance proposal to improve the equity of funding among South Carolina's districts. The Education Finance Act was passed that year, and the legislature ventured into programmatic reform the following year by enacting the Basic Skills Assessment Program. This was a state testing program, without any funding to support remedial programs for students failing the tests. The prime mover behind the Basic Skills Assessment Program was Lieutenant Governor Brantley Harvey. Despite the opposition of education lobbyists, Harvey was able to convince legislators to support a low-cost education reform effort with a strong accountability thrust.

Thus by the time of the 1978 gubernatorial election, South Carolina had begun to address its crying need for educational improvement through measures aimed at finance equity and student accountability. The problem was that the former was not funded by the legislature and the latter, by itself, was an inadequate approach to reform. Three Democrats ran for their party's nomination for Governor in 1978, including Harvey and Riley, who finished first and second, respectively, in the primary, but no candidate received more than 37 percent of the vote. Riley beat Harvey in the runoff and subsequently won the Governorship with 62 percent of the vote in November.

Riley's first task in education when he assumed office in 1979 was to fund the Education Finance Act, a problem ultimately exacerbated by the 1981-1982 recession. With a lack of funds, he was constrained from developing new programs, but the Governor and his wife visited schools in 80 of the state's 91 school districts during the first half of his first term in office. In retrospect this was an important step in developing a grassroots movement for school reform in South Carolina.

With the state facing a budget crunch in early 1983, Riley proposed a one cent increase in the state sales tax, with one-third of the revenues for school finance, one-third for property tax relief, and one-third for infrastructure development. That spring, with the tax proposal all but buried in the General Assembly, Riley agreed to meet with a dozen of the state's key business leaders, primarily representing the Columbia, Charleston, and Greenville Chambers of Commerce. While the meeting yielded no support for his tax proposal, the business leaders did express a willingness to support a sales tax increase the next year if it were dedicated entirely to school reform with a focus on accountability.

Following that meeting, Riley gave two key members of his staff -- Dwight Drake, his legislative director, and Terry Peterson, his education aide -- the task of assembling an education reform program that would have consensus support and that could be as costly as $210 million per year (the yield of a one cent sales tax increase). While Peterson was a member of Riley's inner circle since the 1978 campaign, he came to the campaign and the Riley administration very much like a policy entrepreneur. He had been a labor and community organizer who was just completing his doctorate in education in 1978 when he and the then-candidate were introduced. During the campaign and throughout the Governor's term, Peterson functioned as an "idea" man. The Governor wanted something big, developed through an inclusive process. It needed to appeal to educators and the business community. Because the South Carolina Education Association had not supported Riley, he was not beholden to them, but he knew that reform measures opposed by the teachers could be scuttled through non-implementation.

Drake and Peterson traveled to Mississippi in the summer of 1983 to meet with Governor Winter, who had successfully enacted an education reform and tax increase package. They were impressed with the grassroots campaign he waged to develop support for the proposal and brought that notion back to South Carolina.

At the end of June, Riley appointed two blue ribbon committees to oversee the development of the reform package. The Committee on Financing Excellence in Public Education was comprised of education and business leaders with a focus on nuts and bolts program development. It was chaired by William Page, a high-powered Greenville real estate developer who had served on the local school board there at the time the district successfully desegregated, largely under the direction of the district's lawyer, Ted Riley, the Governor's father. (Almost everyone interviewed for this study spoke of the Governor's inclusive decisionmaking, consensus-building, and conciliation. Some said he learned these skills from his father, a consummate courthouse politician; others said he developed them in the State Senate.) The second committee was the Business-Education Partnership Committee. Chaired by the Governor, it included former Governors, key state legislators, and major corporate executives. This group served as a steering committee, giving direction to the Financing Excellence Committee, which then developed the details of the reform program. One of the key members was Senator Harry Chapman, chairman of the Senate Education Committee and a senior member of the Senate Finance Committee (that would need to consider any tax increase).

While the blue ribbon committees worked on the package from July until early September, Riley, Drake, and Peterson were much in evidence, and the Governor frequently exercised personal persuasion to keep groups from splintering apart. He made clear to the teachers that he would support an increase in their salaries to the average of the southeastern states (a 16 percent raise), but that he would need to include accountability reforms as well.

He convinced business leaders that the state could not attract quality teachers without decent salaries and that increased state testing programs were appropriate, but only if they were accompanied by costly compensatory education programs to help students succeed.

In mid-September, having achieved a consensus among the blue ribbon committees, the Governor took the outline of his education reform program to the people in a grassroots drive that was described in interviews as part political campaign and part revival meeting. During three weeks between mid-September and early October, the Governor conducted seven town meetings attended by 13,000 South Carolinians. At those meetings he stumped for his reform proposals and gave those attending an opportunity to suggest revisions. His staff kept track of who attended, constructing a computerized data bank of names, addresses, telephone numbers, and specific areas of concern. In the next few months, through toll-free hotlines, speakers bureaus, and telephone banks, another 40,000 people were added to the first 13,000 contacts. This was to prove instrumental the following spring.

Input from the town meetings was sifted by the Governor's staff, and in mid-November the two blue ribbon committees approved their final recommendations. On November 22, the Governor announced his proposals in a statewide television address. He called for wide ranging reforms in 61 areas, financed by a one cent increase in the sales tax. The state's business leaders were divided, but with leadership from the Columbia, Charleston, and Greenville Chambers, business supporters raised $100,000 for a media campaign to support the reform package. "A Penny for Their Thoughts" was the slogan, and the state's annual accountability reports a decade later are still entitled "What is the Penny Buying for South Carolina?"

Major elements of the reform program included increased high school graduation requirements and a high school exit exam; a "no pass-no play" rule for participation in interscholastic activities; tougher student attendance policies; a longer school day; mandatory kindergarten for five-year-olds and voluntary kindergarten for three- and four-year-olds; strengthening of vocational education; advanced placement and gifted programs; compensatory education programs for students failing the state basic skills tests; a loan forgiveness program for teachers in critical need areas; a teacher incentive program to reward superior performance; upgraded standards for teacher preparation programs; annual adjustment of teacher salaries to match the southeastern average; a longer school year for teachers; regular evaluations of teachers; upgraded training for school administrators; a grant program to reward schools and school districts for superior performance; creation of a Public Accountability Division in the South Carolina Department of Education headed by a Deputy Superintendent; procedures for state intervention in districts experiencing academic difficulties; encouragement of school-business partnerships; funding school construction projects; and establishment of a joint subcommittee of the two blue ribbon committees to oversee implementation of the

reform programs. The revenues from the one cent increase in the sales tax would be deposited into a separate fund and could be spent only to support the reform programs.

When the Governor sent his proposals to the General Assembly they were met coldly. 1984 was a legislative election year in South Carolina, and legislators were naturally suspicious that a tax increase vote would not help their reelection prospects. When the reform package was introduced in the House in January, only 22 of the 124 members supported it.

From late February to mid-March of 1984, the House debated the reform package in daily floor sessions. The House leadership opposed the plan and thought a "divide and conquer" approach would help defeat it. Therefore, each program was debated and voted on separately. However, this worked to the Governor's advantage for each program had an identified constituency in his data bank, and each evening targeted calls were made to constituents who called their legislators the next day or traveled to Columbia to lobby them personally. The House gallery was packed every day, and prominent among those watching their legislators was the Governor's wife, who scheduled her chemotherapy treatments to be able to lend her support. Supportive business leaders were in Columbia every day, buttonholing legislators in the corridors and at lunch. Political observers say no issue before or since has mobilized such intense business lobbying in the Capitol. Every day at lunch, Riley, Drake, and Peterson met with their floor managers to set strategy.

In the end, House members did not oppose the reform program itself, and actually voted for each piece of it. Only the tax increase was problematic, but having bought the program, House members had little choice but to support the tax increase to pay for it, and on March 24, the bill passed the House intact.

The Senate was a somewhat easier proposition, largely due to Senator Chapman's support. He was able to guide the education portions of the bill through the Education Committee (which he chaired) with only slight modifications in April. Despite a last minute lobbying effort by the South Carolina Textile Manufacturers Association, the Senate Finance Committee endorsed the sales tax increase in early May, and the full Senate passed the bill a month later.

The House-Senate conference committee worked closely with the Governor's staff in mid-June, and the compromise bill that emerged was nearly identical to the original proposal. The conference bill was passed by the House and Senate on June 22, including $214 million from the sales tax increase and another $74 million increase in regular state budget support for education, and was signed by the Governor on June 28.

One change made by the General Assembly was to strengthen the South Carolina Business-Education Subcommittee. As originally proposed by the Governor, this subcommittee

of his two blue ribbon committees would serve only for six months to provide oversight of initial implementation efforts.

However, legislators and business leaders agreed on the need for strong, institutionalized oversight. Worried legislators had just enacted a major tax increase less than five months before an election, and they had done so at the urging of the business community. Both had a great deal at stake.

The solution was to establish the South Carolina Business-Education Subcommittee, consisting of legislators, business leaders, and education representatives (the latter having only about one-third of the seats on the subcommittee) and make it a permanent body with its own funding and staff.

The subcommittee was initially responsible for screening candidates for the Deputy Superintendent in charge of the new Public Accountability Division in the Department of Education. Those interviewed for this study all agreed that this represented a distrust of the Department, which was generally seen as an ineffectual "good ol' boy" club. In addition, the subcommittee is responsible for reviewing and approving all products of the Public Accountability Division, including its annual accountability report. Finally, the subcommittee is responsible for recommending improvements in the Education Improvement Act to the General Assembly. Riley's education aide, Terry Peterson, was the subcommittee's first and only executive director until he went to Washington to work for Riley in his position as U. S. Secretary of Education.

Minnesota

The Minnesota Legislature adopted several pieces of legislation during the 1980s, beginning in 1982 and ending in 1988, to provide parents with a variety of enrollment options, a policy generally referred to as choice. While several states have developed choice programs in recent years, Minnesota was a national leader in this policy arena.

Political Background

Compared with Massachusetts, Minnesota enjoyed a period of relative political calm in the mid-1980s, although a couple of political shifts were significant in the development and successful enactment of the choice agenda.

The state's political tradition is liberal and independent, and while there is no voter registration by political party, the Democratic-Farmer-Labor (DFL) party has been substantially in control of state government for most of the second half of the century.

Minnesota has a part-time legislature, which adds to the power of the Governor, but in education policymaking, there has been a tradition of shared power, according to everyone interviewed for this study in Minnesota. The legislature meets from January through the third Monday in May in odd numbered (budget) years and for about two months in intervening years.

Both the House and Senate have Education Committees, and each Education Committee has a Finance Division. The Finance Divisions of the Education Committees, and particularly the chairs of those divisions, have considerable authority. The Finance Divisions include about half the members of their respective Education Committees, and majority party members outnumber minority party members two-to-one. In recent years, most education legislation has been incorporated into omnibus education finance bills that are passed in conjunction with the biennial budget. Because the opportunities for passing education bills have thus been limited, and because they have been combined with finance issues, the bargaining possibilities are increased during the brief "window of opportunity" every other year.

Likewise, Governors have tried to package their legislative proposals with their budgets to increase the likelihood that significant portions of those proposals receive serious consideration.

Rudy Perpich, a former State Senator and a DFLer, served as Governor from 1983 to 1991. He was the son of immigrants who grew up in the mining town of Hibbing on Minnesota's iron range and was a strong supporter of public schools. His own life chances were literally forged by education. He told the Citizens League in January of 1984:

> For me and thousands like me, a good educational system meant a passport out of poverty. My mother worked in the hospital laundry, and my father was a miner. Our poverty was real. We had no indoor plumbing. Garbage was collected twice a year. And my brothers and I slept in one bed. But my parents recognized the importance of education. And I had dedicated teachers who took a five-year-old kid from the other side of the tracks who couldn't speak a word of English and prepared him to be Governor.[14]

In addition to the institutions of the legislature and Governorship, two other factors traditionally shaped education policy. First was the iron triangle of the finance division chairs,

education bureaucrats, and education interest groups. Until the mid-1980s, education interest groups, particularly the Minnesota Education Association and the Minnesota Federation of Teachers, were quite influential. The State Board of Education also had considerable authority, particularly the power to appoint the Commissioner of Education, who presided over the Department of Education. All the legislators and legislative staff interviewed for this study said that key legislators also had direct contacts with staff of the Department, regardless of who was Commissioner.

The second shaper of policy was the Citizens League, a long-standing voluntary association of "heavy hitters" from the twin cities of Minneapolis and Saint Paul. The League has a history of favoring policies that support the values of competition and independence, including efforts to introduce competition to the health care industry in the 1970s. The League was also a key player in supporting a major equalizing reform of school finance in Minnesota in the early 1970s, known as the Minnesota Miracle. Major roles played by the League are developing ideas, generating discussion of those ideas, and helping to forge coalitions to support policy change. Ted Kolderie, a key player in the development of choice in the state and a League member for many years, says, "in Minnesota, you first have to win the idea battle before you can win the political battle."

Two key shifts in the political scenery influenced the development of education policy in Minnesota in the mid-1980s.

First, when Perpich ran for Governor in 1982, he campaigned to increase the Governor's authority over education, including the authority to appoint the Education Commissioner. In 1983, legislation to transfer the appointing authority from the State Board to the Governor was sponsored by Perpich's ally, Tom Nelson, who chaired the Senate Education Finance Division and who was well respected by colleagues in both houses of the legislature. Despite opposition by the State Board and the education interest groups, Nelson's bill was passed, and Perpich appointed Ruth Randall, a school district superintendent with few connections to the iron triangle as his first Commissioner.

Second, in the 1984 legislative elections, the Independent Republicans gained control of the House of Representatives, while the Democratic-Farmer-Labor party retained control of the Senate. This Republican control of the House lasted only from 1985-1986, but that was a key period in the development of choice legislation in Minnesota. When the Legislature convened in January 1985, there was a fight for the post of House Majority Leader between two members of the Education Committee -- Connie Levi and Sally Olson. Levi won, and Olson was named to chair the Education Finance Division.

Educational Status

Minnesota ranked 2d of 28 states on ACT test scores in 1984 and 1st in 1983 high school graduation rate. It ranked above average in education effort, with rankings of 9th on average teacher salary, 17th on per pupil expenditures, and 25th on pupil/teacher ratios.

The state's initial response to the education reform movement of the early 1980s was an advertising campaign -- directed by the education interests with funding from the business community -- touting how well Minnesota's schools were doing and implying that reform was not needed. The ads, entitled "All Those Marvelous Minnesota Schools," depicted influential Minnesotans, including the Governor, extolling the virtues of public education in Minnesota.

However, as education reform caught on in other states, political leaders began to feel the need for a reform agenda of their own.

Minnesota School Reforms

Choice did not really start out as an education reform. Prior to the 1980s, Minnesota had statutes on the books permitting students to transfer from one school district to another with permission of both superintendents, an option exercised by about 13,000 of the state's 770,000 students. In addition, the state gave income tax credits to parents for costs associated with education, a benefit used almost exclusively to help offset private school tuition.

In 1982, Representative Connie Levi introduced a bill to provide postsecondary options for high school students to attend public colleges part-time while completing high school, with the college tuition to be paid by the students' parents. There was virtually no opposition to the bill, and it passed easily during the 1982 short legislative session. In retrospect, that was an opening wedge for the real fight over choice and for redefining choice as a school reform measure.

Later that year, the Citizens League issued a report entitled "Rebuilding Education," recommending state deregulation of schools and decentralization of policymaking, including giving parents the authority to choose where to have their children educated. The Minnesota Business Partnership, despite its support for "All Those Marvelous Minnesota Schools," commissioned a $250,000 study of education by Berman-Weiler Associates. The California-based consulting firm had recently done a study in California advocating choice.

In 1983 and 1984, legislation to authorize tuition vouchers for parents to use at the public or private school of their choice was introduced but received no serious hearing. While

the proposals were supported by the Citizens League, they had no strong public constituency, were opposed by key legislators and interest groups, and had not captured the attention of the Governor, who was trying to steer the state's finances out of a serious recession.

Most visible in their support of choice were Joe Nathan, a professor at the University of Minnesota, and Ted Kolderie, a private citizen activist and a leader of the Citizens League. Kolderie was judged particularly effective by both legislative and executive branch sources for this study. The Governor's deputy chief of staff calls him, with great admiration, "the original pamphleteer." Senator Tom Nelson recalls: "He [Kolderie] calls me and says, 'I've been talking to Al Shanker . . . .' Why, when I was Commissioner[15], I couldn't get Shanker to return my calls." While Kolderie and Nathan provided policy entrepreneurship, they were not able to get choice on the agenda in 1983 or 1984.

The Berman-Weiler report that was issued in 1984 called for stipends to allow 11th and 12th grade students to purchase education from public or private schools or colleges. By the fall of 1984, it was apparent that Minnesota would have a significant budget surplus available in the 1985-1986 biennium, and the Governor, who was about to assume the chairmanship of the Education Commission of the States, wanted an education agenda of his own. In December 1984, Kolderie engineered a meeting with the Governor's staff who were working on the 1985-1986 budget to push for the Governor's endorsement of choice.

When the Governor presented his 1985-1986 budget to the legislature, he also presented an "Access to Excellence" program that included some additional state financial support for education (largely making up ground lost during the recession); a voluntary school site management program; a program to develop student learner outcomes and assessments that could be adopted by districts; state demonstration schools in the arts, mathematics, and science; funding for expanded early childhood and staff development programs; state funding for Levi's postsecondary options program; and a choice program. The Governor was attracted to the choice proposal in part because of his own experience. When he came to Saint Paul from Hibbing as a State Senator he was stymied in his efforts to have his own children transferred from the school nearest his Saint Paul home to a school he preferred that they attend.

The Governor's proposal redefined the choice debate from giving parents public or private school tuition stipends to giving them choice among public schools, with state funds following the student to the public school of choice.

The Governor led a coalition including Commissioner Randall, the Citizens League, the Minnesota Business Partnership, the Secondary Principals Association, and the state PTA. During the spring of 1985, the coalition focused its efforts on the legislative committees to get a hearing for the choice proposal.

Opponents, led by the two teacher unions, the school boards association, and the school superintendents, mounted a lobbying and media campaign, building upon "All Those Marvelous Minnesota Schools," portraying choice as unnecessarily radical, and raising fears that the underlying agenda was forced mergers of small rural school districts.

Perpich's proposals were all included in both the House and Senate omnibus education finance bills in 1985, except for postsecondary options funding, choice, and the state demonstration schools. Levi was a strong proponent of funding postsecondary options and making her previously voluntary program open to all high school juniors and seniors. Nelson was a strong proponent of the demonstration schools. But the anti-choice lobbying forces were very effective.

As noted previously, the Minnesota Constitution requires the Legislature to recess on the third Monday of May in each odd numbered year. The split control of the Legislature in 1985 made it more difficult than usual to come to agreement on some key legislation, and the weekend before the required recess, many House-Senate conferences, including the one on education, broke up without resolving their differences. The Governor was forced to call a special legislative session for the conference committees to complete their work. In short order all but the education conference had concluded. Olson, the new education finance division chair in the House, did not trust Nelson, and the two were having difficulty resolving their differences. Finally, the House Speaker appointed Levi to replace Olson, and she and Nelson "cut a deal within a day and a half," according to a key legislative staff member. Nelson got a study of a state demonstration school for the arts, and Levi got mandatory, state-funded postsecondary options. However, the broader K-12 choice proposal was not on the agenda for the conference since it had died in committee in both houses.

Opinions and memories differ as to how Levi succeeded in getting the postsecondary options program passed. Most education group lobbyists profess to having been surprised, which is certainly conceivable since conference committee work takes place behind closed doors, and conference reports cannot then be amended. Legislative and executive branch staff suggest that the education bill in its entirety was good for education, especially in terms of additional funds, so the lobbyists could not afford to try to block it, especially since it was assumed that few students would take advantage of postsecondary options. In addition, they suggest the lobbyists could ill afford to defeat a coalition of Perpich, Randall, Nelson, and Levi entirely.

Following the defeat of the centerpiece of his reform package, Perpich appointed the Governor's Discussion Group, consisting of representatives of the Business Partnership, Citizens League, and the education lobby. The group was chaired by Randall and staffed by Daniel Loritz, Randall's legislative lobbyist and later Perpich's deputy chief of staff. The group's charge was to come up with proposed reforms for the Governor to present with his

1987-1988 budget. As a former lobbyist for the MEA put it, "in Minnesota we talk about everything, and people think discussions have to have conclusions." Most education lobbyists who participated in the Governor's Discussion Group meetings felt, as one of them put it, "as if we were on a railroad." It was clear that Randall would insist on choice being on the agenda, and what the education lobby got in return was a proposal for a voluntary, rather than a mandatory, program. What many in the education community hoped was that Perpich would be defeated in his reelection bid in 1986, a hope that was not to be realized (the Governor did not make enrollment options a campaign issue in 1986, however).

As a result of the 1986 elections, Perpich was retained in office and the DFL was restored to power in the House as well as the Senate. Representative Ken Nelson (not a relative of Senator Tom Nelson) resumed the chairmanship of the education finance division in the House, replacing Olson, and former Majority Leader Levi was again a member of the finance division. In the Senate, Nelson had retired and was replaced as education finance division chair by Senator Randy Peterson. Both Ken Nelson and Peterson were allies of the Governor, and both supported his choice proposal.

The Governor's 1987 proposal included some minor revisions in the postsecondary options program; a voluntary K-12 enrollment options program; a second chance program for high school dropouts or students at risk of dropping out to transfer to other schools; and a state demonstration arts school. This time, Perpich, Randall, the Citizens League, and the Business Partnership took the offensive with the media, and virtually everyone interviewed for this study indicated that they were very effective in winning media and public support for the choice proposal.

Under the Governor's proposal, any student attending school in a district that volunteered to participate would be eligible to transfer to any public school in any other district willing to accept students under the program. Parents would be responsible for transporting their children to the border of the receiving district, which would then transport them from the border to the receiving school. Poor parents would be eligible for financial assistance to offset transportation costs. The proposal included special provisions to assure that enrollment options could not be used to circumvent desegregation orders that were in effect in the state's three largest school districts -- Minneapolis, Saint Paul, and Duluth.

To some degree, the voluntary nature of the proposed program made it more difficult for local school officials and their lobbyists to oppose. In addition, two years of implementing postsecondary options made it clear that there would not likely be wholesale abandonment of neighborhood schools. Since the education interests had also had an opportunity to mold the voluntary nature of the proposal in the Governor's Discussion Group, it was more difficult for them to actively oppose it as they had two years earlier. In the end, the unions grudgingly

accepted the inevitability of passage and only the school boards association maintained outright opposition.

Nelson successfully carried the choice proposal in the House and Peterson tried unsuccessfully to do so in the Senate. His top priority in his first year as education finance division chair was to streamline the school finance system, including incorporation of many categorical funding streams into the school aid formula. The latter was the major focus of legislative and lobbyist activity in the Senate where choice and the arts school took a back seat.

In May, the education finance conference was pretty well controlled by Nelson and Peterson. The House accepted many of Peterson's school finance revisions and the Senate accepted the arts school and the voluntary K-12 enrollment options and at-risk student enrollment options.

(During the first year of implementation, only about 3,500 students took advantage of the K-12 enrollment options in the 96 districts that volunteered. In 1988, 135 districts volunteered, and the Governor, legislative leaders, and education lobbyists all came to understand that choice would not destroy the public schools. In something of a surprise move, Perpich and Peterson managed to get a mandatory choice proposal passed in the Senate during the short 1988 session and also had it included in the conference bill. As a result, K-12 enrollment options became mandatory in all districts with enrollments over 1,000 students in 1989-1990 and in all other districts in 1990-1991. Prior to leaving the Governorship, Perpich appointed Peterson to a state judgeship.)

Summary

What lessons can be learned from these three disparate cases of state education policymaking in the mid-1980s?

Each of the states undertook an approach to reform that set it apart from the mainstream of power centralizing reforms being enacted between 1983 and 1987. In all three cases -- school improvement councils in Massachusetts, the Business-Education Subcommittee in South Carolina, and a K-12 choice program in Minnesota -- the reforms were embedded in more comprehensive legislative proposals. In two cases -- school improvement councils and choice -- these reforms were perceived as central to the larger enactments while the Business-Education Subcommittee was perceived as central to only one aspect (albeit a key aspect) of the larger reform -- accountability.

The reforms were all enacted while a policy window was open as a result of national media and political attention to education in the wake of the *Nation at Risk* report. While the open policy window created expectations that each state would engage in reform activity, the specific policy innovations reviewed in these case studies were not on the agendas in most other states.

In two of the three states -- Massachusetts and Minnesota -- relatively unusual political shifts served to expand the opportunity for new reform ideas to get a hearing. In the case of Massachusetts, it was the replacement of the Speaker of the House and his subsequent replacement of Collins as Education Committee chair by Paleologos. In the case of Minnesota, it was the two-year Republican control of the House that put Levi in a key position to work with Perpich on the choice issue.

In all three cases, the ideas were promoted by policy entrepreneurs -- Keppel and Boyer (the latter indirectly) in Massachusetts, Peterson in South Carolina (although he also served as an "insider" on the Governor's staff), and Kolderie and Nathan in Minnesota.

In two cases, the reforms were enacted over the strong objection and heavy lobbying of the education interest groups that previously had been key players in the development and enactment of education policy. These were Massachusetts, where the Massachusetts Teachers Association and the school committees both opposed the creation and funding of school improvement councils, and Minnesota, where all the groups except the high school principals opposed choice. In South Carolina, the Governor constructed and held together an effective coalition of business and education groups with his all-or-nothing, take it or leave it approach to a major reform package. In South Carolina, the education lobby had not been strong traditionally in any event. Legislators and legislative staff in Massachusetts and Minnesota both noted in interviews that the traditionally powerful lobbyists in their states were viewed as self-interested impediments to reform in the mid-1980s, even by many of their political allies.

One of the presumed keys to understanding the education reforms of the period was the significant expansion of the arena of conflict in most states from key legislative leaders, executive branch officials (Governors and chief state school officers), and lobbyists, to representatives of the broader community, especially business leaders and the media.

It is certainly the case that in South Carolina, Riley masterfully expanded the arena to include business leaders and expanded it much further in his grassroots campaign for support of the Education Improvement Act of 1984.

In Minnesota, the supporters and opponents of choice both attempted to expand the conflict arena. Opponents appealed to citizens on the basis of endorsing "All Those Marvelous

Minnesota Schools." Supporters initially had the business community in their camp and appealed to citizens on the basis of issues such as fairness and independence of thought and action. In the end, the latter appeal was stronger. Teacher union officials interviewed for this study lamented that Perpich and his supporters took the high moral ground, while opponents expressed a variety of technical implementation concerns without a compelling central message.

In Massachusetts, the major activity was played out in the State House by key legislators and the Governor. It was "inside baseball," according to Paleologos, and both Kraus and D'Amico spoke of their decision to avoid expansive involvement in policy development (albeit following a year of statewide hearings by Collins).

The case studies highlighted one additional point worth noting here, a point that will be discussed in greater detail in the concluding section. Central to each reform effort was strong, committed political leadership from within the political system.

When asked who was principally responsible for the reforms under study in these three states, virtually everyone interviewed -- supporters and opponents alike -- had the same answers. In Massachusetts, it was Paleologos, with help from D'Amico, Kraus, and Dukakis. In South Carolina, it was Riley. In Minnesota, it was Perpich, with help from Levi.

The political leaders certainly were enabled to act by the fact that a policy window was open. They certainly were aided in bringing about reform by the political contexts and power shifts within their respective states. They certainly were influenced in their choice of policy options by policy entrepreneurs and, to a lesser degree, interest groups.

It was suggested earlier that political conflict expansion[16] would help to explain the enactment of education reforms in the mid-1980s; additional actors certainly were involved in pressing for and developing reforms in numerous states. In the three case study states, it is safe to say that the reforms were developed largely in the State House in Massachusetts; with help and prodding from Minnesota's Citizens League and some grassroots support after Perpich took his case to the people; and with substantial grassroots support and business leadership in South Carolina. The problem with assuming that conflict expansion will lead to reform, however, is that it ignores the key roles played by individual elected political leaders.[17] This issue of leadership will be considered further below.

The study's findings reinforce much of Kingdon's work.[18] This is particularly true with respect to the role of policy entrepreneurs, who were important players in all three case study states; the opening of a policy window that was achieved by the national reform reports and media attention to school reform; and the operation of politics, as epitomized by the Speaker fight in Massachusetts and the two-year period of control of the Minnesota House by the

Republicans, both of which proved instrumental in bringing about the reforms in those two states.

The study also confirms that the reforms were enacted in the context of a significant expansion of political conflict from the subsystem to the macro-system arena.[19] In the author's earlier survey of all 50 states,[20] most reported expanded conflict and involvement of new actors outside the system. This was confirmed in the case studies of Minnesota and South Carolina as well, although it was not the case in Massachusetts.

The case studies also resulted in a major finding about which the author had not hypothesized at all and about which very little has been written -- the key role of political leadership by those inside the political system. In fact, much of the writing on leadership is limited to examinations of the Presidency[21], and much of it is skeptical about the effectiveness of the President's ability to lead.[22] Some recent studies of the politics of education have pointed to a declining leadership role for legislative education leaders.[23]

The tendency of political scientists to focus on systems, on the interrelationships of system components, on the influence of groups on political functioning, and the like, tends to obscure the more idiosyncratic and perhaps primal role of leadership from within the system. It has only been in recent years that the role of inside political leaders in the mid-1980s education reforms was recognized.[24] All three case studies reported here found evidence of strong political leadership from within the political system as a major proximate cause of the enactment of reform in those states.

Conclusions

These three case studies and the author's earlier 50-state study[25] suggest several conclusions.

First, the wave of reform from 1983-1987 was not typical of earlier reform movements. The state role was more extensive; the policy arena was expanded considerably, and new actors were allowed to play on the wider stage; political actors were more directly involved than had frequently been the case in the preceding two decades; and the amount of reform activity was far more extensive. This appears to have resulted from the increased economic salience of education reform for the nation's business leaders and the increased political salience of the issue for both state and national political leaders. The declining influence of education interest groups[26] and their inability to control the reform agenda once the arena expanded resulted in less predictable outcomes of reform efforts.

Second, although the reform action was centered in state capitals, there is an important sense in which this reform movement was national in scope and character. The scope of the problem and its definition were laid out largely in national reform reports, beginning with the *Nation at Risk* report in 1983. The national media (television news, syndicated columnists, and newspapers and magazines with nationwide readers) focused prominently on the issue throughout the mid-1980s. The character of the reforms was similarly dictated by the *Nation at Risk* recommendations for reform that became the starting point for policy development in most of the states. The role of policy issue networks[27] in disseminating information about state reform efforts and in bringing together policymakers from the states was very strong. The conferences attended and the publications read by both policymakers and academics throughout the mid-1980s reinforced the school reform efforts that grew out of the *Nation at Risk* recommendations.

Third, the states that undertook the most extensive reforms in the mid-1980s were those hypothesized to be least interested in reform -- states with low levels of student achievement, low levels of fiscal support, and poor socioeconomic conditions.[28] Why did these states undertake such ambitious reform efforts? Contributing factors include the definition of the problem and the identification of alternative policy responses through nationwide (rather than state or local) policy issue networks; the expansion of the arena to include new players for whom education reform was especially salient, particularly business, media, and often political leaders; the neutralization of the education interest groups; the public support for reform in those states, such as South Carolina, in which public participation was mobilized; and the end of the recession (at least temporarily), that accompanied the onset of education reform. These conditions created the opportunity for major reforms in states hypothesized not to be interested in an extensive reform agenda, but they did not assure that result. It was the ability and willingness to use political power and leadership on the part of elected political officials, such as Governor Riley in South Carolina, that transformed the opportunity into reality.

Is it possible to construct a model to describe these reform efforts? If so, it would begin with the *Nation at Risk* report, which identified the problem and generated alternative solutions that were then filtered through policy issue networks to state capitals. At the state level, the expansion of the conflict to include new policy actors with limited expertise in education and the more or less simultaneous neutralization of the education lobby would result in a powerful constituency for change, but a lack of specific direction from reform advocates, except as such direction might come from national reports or from policy entrepreneurs. In those states pursuing different approaches to reform, the role of policy entrepreneurs was prominent. With the education reform issue on the policy agenda of every state, the policy alternatives generated by national policy issue networks or more local entrepreneurs would be mediated through each state's political processes. In two of the three case study states (Massachusetts and Minnesota), important shifts in political power contributed significantly

to the design and enactment of policies different from the national norm. Finally, political leaders inside the system (such as Paleologos in Massachusetts, Riley in South Carolina, and Perpich and Levi in Minnesota) would be responsible for molding the political system to create significant policy innovations. Tim Mazzoni refers to these political leaders as strategically placed "idea champions."[29] In those states lacking well placed entrepreneurs or strategically placed idea champions, the pressure for reform from the expanded policy conflict and the limited range of alternative policy options generated by the policy issue networks would result in the enactment of more uniform policies.

Potential Future Research

At least two areas of future research are clearly apparent from this study. The first is the relationship between the national institution of policy change and the state or local enactment of policy change. As noted previously, the driving force of education reform in the mid-1980s was the *Nation at Risk* report, which opened a policy window in every state capital. The emphasis accorded the issue by the national media and the spreading of ideas through nationwide policy issue networks were largely responsible for the uniformity of policy options identified at the national level and subsequently considered and enacted at the state level. Nonetheless, the national government has no constitutional role in education policymaking and only a very limited statutory role, so the real action in enacting policy reforms took place in state legislatures and state boards of education. It is increasingly the case that major issue areas are influenced but not controlled by Washington, while the states have the authority to act but are constrained by the national government's influence. Obvious examples include environmental protection, health care, economic development, and transportation policies. It would be useful to know if a relationship such as that discovered in this study affects other areas of policymaking, or if this relationship differs from one issue area to another.

The second area is the question of internal political leadership of policy innovation -- the role of the strategically placed "idea champion," to use Mazzoni's term. This study proceeded on the common assumption of political science that policy comes about through the clash of ideas and groups in their institutional roles and relationships. It assumed that by expanding the arena of conflict, additional policy actors playing additional roles would be brought onto the stage, changing the shape of the political conflict and its result. Lost in those assumptions was the role played by key political leaders operating inside the political system, using their power and authority to pursue policy innovations of their own choice. The success of Paleologos in Massachusetts, Riley in South Carolina, and Perpich and Levi in Minnesota suggest that the role of such idea champions must be taken at least as seriously as the role of external policy entrepreneurs.

Notes

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4. L. Harmon Zeigler, "Interest Groups in the States," in Virginia Gray *et al.* (eds.), *Politics in the American States*, 1983, pp. 100-103.

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8. Roald F. Campbell and Tim L. Mazzoni, Jr., *State Policy Making for the Public Schools*, 1976, pp. 13-16; Catherine Marshall, Douglas Mitchell, and Frederick Wirt, *Culture and Education Policy in the American States*, 1989, p. 187.

9. Martin Burlingame and Terry G. Geske, "State Politics and Education: An Examination of Selected Multiple-State Case Studies," E*ducational Administration Quarterly*, 1979, pp. 60-62; Kenneth J. Gergen, "Methodology in the Study of Policy Formation," in Raymond A. Bauer and Kenneth J. Gergen (eds.), *The Study of Policy Formation*, 1968, pp. 210-212.

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11. Tim L. Mazzoni, "The Choice Issue in State School Reform: The Minnesota Experience," Paper presented at the annual meeting of the American Educational Research Association, 1986.

12. Pfizer Pharmaceuticals, "Portfolio of State Issues," 1984.

13. *The Boston Globe*, July 20, 1985.

14. Rudy Perpich, Speech to Citizens League, January 4, 1984.

15. Governor Perpich appointed Nelson Commissioner of Education after he retired from the Senate.

16. Roger W. Cobb and Charles D. Elder, *Participation in American Politics*, 1972, pp. 151-157; E. E. Schattschneider, *The Semi-Sovereign People*, 1960, pp. 1-11.

17. Tim L. Mazzoni, "Analyzing State School Policymaking: An Arena Model," *Educational Evaluation and Policy Analysis*, Summer 1991, pp. 130-132.

18. John Kingdon, *Agendas, Alternatives, and Public Policy*, 1984.

19. Cf. Roger W. Cobb and Charles D. Elder, *Participation in American Politics*, 1972, pp. 151-157; E. E. Schattschneider, *The Semi-Sovereign People*, 1960, pp. 1-11.

20. Robert E. Feir. "Political and Social Roots of Education Reform: A Look at the States in the Mid-1980s." Paper presented at the annual meeting of the American Educational Research Association, San Francisco, April 19, 1995.

21. Cf. Richard E. Neustadt, *Presidential Power*, 1980; Clinton Rossiter, *The American Presidency*, 1960.

22. Cf. Richard E. Neustadt, *Presidential Power*, 1980; George E. Reedy, *The Twilight of the Presidency*, 1970.

23. Susan Fuhrman and Alan Rosenthal (eds.), *Shaping Education Policy*, 1981; Alan Rosenthal and Susan Fuhrman, *Legislative Education Leadership*, 1981.

24. Tim L. Mazzoni, "Analyzing State School Policymaking: An Arena Model," *Educational Evaluation and Policy Analysis*, 1991.

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28. Robert E. Feir. "Political and Social Roots of Education Reform: A Look at the States in the Mid-1980s." Paper presented at the annual meeting of the American Educational Research Association, San Francisco, April 19, 1995.

29. Tim L. Mazzoni, "Analyzing State School Policymaking: An Arena Model," *Educational Evaluation and Policy Analysis*, 1991, p. 128.